GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4466
ANSWERED ON:24.04.2008
BETWEEN GAIL AND OIL INDIA LIMITED FOR OIL EXPLORATION
Patel Shri Kishanbhai Vestabhai;Singh Shri Sugrib

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether GAIL and Oil India Limited have signed any cooperation agreement to explore oil discoveries, production, distribution, Coal Bed Methane etc;

(b) if so, the details in this regard; and

(c) the extent to which both companies will be benefited by such cooperation agreement

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b): Yes Sir. GAIL India Limited (GAIL) and Oil India Limited (OIL) have signed a Memorandum of Understanding (MOU) on 27th December, 2007. The area of cooperation by both side includes joint participation in New Exploration Licensing Policy (NELP) round & joint bidding for exploration blocks overseas, to explore cooperation in transportation and marketing of OIL's share of gas from new discoveries through GAIL's existing & planned pipeline network. GAIL & OIL also agreed to examine cooperation in Coal Bed Methane (CBM) opportunities in India and abroad, to examine opportunities available in the petrochemicals sector, to cooperate in sharing technology and knowledge wherever feasible.

(c): GAIL and OIL recognize the potential of adding value to their business by adopting a cooperative approach based on their complementary skills, and common business interests. Both parties have signed an MOU with a desire to explore opportunities for cooperation so that respective resources could be pooled on the basis of mutuality and reciprocity.